

CITY ETHICS COMMISSION

Helen Zukin
President

Sean Treglia
Vice President

Nedra Jenkins
Paul Turner
Vacant

CITY OF LOS ANGELES
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**REGULAR MEETING OF THE
LOS ANGELES CITY ETHICS COMMISSION**

**Tuesday, May 12, 2009
9:30 a.m.**

APPROVED

**City Hall, Room 1050 – 10th Floor
200 North Spring Street
Los Angeles, CA 90012**

1. Call to Order.

Commission President Helen Zukin called the meeting to order at 9:36 a.m.

Present: Jenkins, Treglia, Turner, and Zukin.

2. Public Comment.

Daniel Wiseman of the West Hills Neighborhood Council spoke regarding financial disclosure for neighborhood councils. He expressed concerns regarding the City Council's Form 54 and stated that neighborhood council board members should only be required to sign a statement stating that they have no conflict of interests pertaining to a neighborhood council file. Chris Rowe of the West Hills Neighborhood Council also spoke regarding the financial disclosure form for neighborhood councils and stated that Form 54 is burdensome and discriminatory.

3. Approval of draft minutes for the meeting of April 14, 2009.

Commissioner Nedra Jenkins moved to approve the draft minutes of the meeting held April 14, 2009, and Commissioner Paul Turner seconded. The minutes were approved 4-0.

4. Report on status of proposed FY 09-10 budget and potential impact on CEC services and operations [LeeAnn Pelham].

Executive Director LeeAnn Pelham presented her report and highlighted the commission's budget hearing before the City Council's Budget and Finance Committee on May 4, 2009. She noted that the committee is expected to release its recommendations on April 14, while the full Council is expected to begin deliberations on the budget on May 18. Pelham stated

that the Mayor proposed a \$450,000 cut in the commission's budget for next year, which translates to an overall 17.9-percent reduction in our budget and a 22-percent cut in our staffing levels. This cut would reduce staff from 27 to 21 positions, on top of last year's 13-percent staffing cut, which would result in staffing levels not seen for ten years.

Pelham noted that the commission's work has increased with Measure L (which requires the commission to oversee campaigns for LAUSD Board), Measure M (which imposed mandatory training for City officials and other changes to ethics and lobbying laws), and Executive Directives 1 and 7 (which extended ethics training among City departments). Pelham said that the Mayor's proposed budget also includes a "shared responsibility" line item that results in an additional 10-percent cut in salaries. This could translate to three additional positions—which would result in staffing levels insufficient to achieve our core Charter mandates—or 26 furlough days per employee per year.

Pelham noted that, while the dollar amount of the proposed cut is small for some departments, it is a significant percentage of the commission's overall budget. Jenkins asked what the lowest percentage cut is for a City department. Pelham stated that the lowest percentage cut is actually a seven-percent growth for the Emergency Management Department, but the median decrease is about nine percent. Jenkins asked if the commission was told why its budget was cut 100 percent more than the average, and Pelham said that she did not have an answer to that. Jenkins stated that this is the very climate in which strong governmental ethics is critical, especially given that the City has elections in the near future. Zukin stated that some other departments have larger percentage cuts than was proposed for the Ethics Commission, and Pelham noted that those departments tend to be much larger and were able to offer up vacant positions. However, the Ethics Commission only has one vacant position to offer up; therefore, the cuts of actual employees are much deeper for the commission. In addition, four of the five employees are exempt, which means they do not have bumping rights through the civil service system.

Zukin asked what percentage of the commission's budget is attributable to enforcement. Pelham said that salaries represent 87 percent of the overall budget and roughly one third of that is allocated to enforcement. Zukin asked about the effect on enforcement if these cuts are imposed. Pelham stated that, over the past couple of years, the enforcement staff has made great strides in keeping cases as current as possible. Pelham said she is concerned that these gains may be lost with the proposed budget. She also stated that the fast track audit program will take longer and that resources will have to be adjusted to meet concerns in each of the four staff divisions.

5. Policy and legislation report [*Heather Holt*].

Director of Policy and Legislation Heather Holt presented her report and highlighted that staff had distributed draft language for the Municipal Lobbying Ordinance and the related provisions of the Governmental Ethics Ordinance. Staff is soliciting comments from the public and will be holding two interested persons meetings on May 18 and 21. She stated that staff expects to present proposed language to the commission at the June meeting. Jenkins asked if Holt had met with the business improvement districts (BIDs) regarding the

lobbying ordinance. Holt said that staff had met with representatives of the BID consortium and is the process of reviewing contracts and other documents that pertain to the activities of the BIDs.

6. Consideration of and action on the following stipulated settlements and/or selection of hearing procedure:

In the Matter of: Stewart Lee Herrera, CEC Case No. 2009-09 [Deena Ghaly & Dominic Berbeo].

Deputy Executive Director and Director of Enforcement Deena Ghaly presented the excess contribution case and noted that the proposed fine was \$500. Jenkins moved to accept staff's recommendation, and Turner seconded. The stipulation was approved 3-1.

7. Quarterly activity report by program operations division [Mark Low].

Project Manager Mark Low presented the program operations division report in Director of Program Operations David Tristan's absence. He highlighted a timeline showing the division's anticipated work product for the next quarter and noted that the timeline is subject to change, depending on what is approved for the next fiscal year's budget.

8. Consideration of and action on statements of economic interests for commission and department head SEI reviews [Shannon Prior].

Program Analyst Shannon Prior recommended that the commission approve cautionary letters for nominees Ms. Karen Mack, Dr. Takashi Wada, Ms. June Lagmay, and Mr. David Fleming. Prior recommended that the commission approve a standard letter for nominee Ms. Judith Valles. Jenkins moved to accept the recommendations, and Turner seconded. The letters were approved 4-0.

9. Announcements and requests to schedule items on future agendas.

There were no announcements or requests to schedule items on future agendas.

10. Closed session for public employee performance evaluation of the executive director, pursuant to California Government Code § 54957.

The commission convened executive session at 10:20 a.m. to conduct its annual performance review of the executive director. The commission resumed public session at 11:20 a.m. Zukin announced that the commission had taken no action during closed session and that it had concluded the executive director's 2009 performance review.

11. Adjournment.

The meeting was adjourned at 11:20 a.m.